

PAUL VOTES FOR PENSION AND RETIREMENT TAX RELIEF

Washington, DC- Congressman Ron Paul today voted for permanent tax relief that encourages individuals to save for retirement while reducing the tax bills of millions of Americans. Paul, joined by more than 300 of his House colleagues, supported the "Retirement Savings Security Act" to ensure that arcane Senate rules do not cause an integral part of the Bush tax cut to expire in ten years.

"This legislation really benefits average Americans who want to lower their tax bill and increase their retirement savings," Paul stated. "For example, the maximum deductible IRA contribution was fixed at \$2,000 since 1981, and this bill provides for a badly-needed increase. I always vote for legislation that allows individuals to keep more of their paychecks to save and invest."

Specifically, today's legislation makes permanent changes to the IRS rules governing private retirement savings plans. The bill raises deductible IRA contributions to \$5,000 by 2008, while raising contribution limits to 401(k) and other tax-deferred plans to \$15,000 annually. It also provides "catch-up" provisions that allow individuals over 50 to contribute larger amounts to their retirement plans.

"American taxpayers know that the best way to save for their retirement is to invest their pre-tax dollars in private pensions and retirement accounts," Paul continued. "Taxpayers, rather than the federal government, should be the stewards of their own hard-earned retirement savings. With our spendthrift Congress, Americans know more than ever that their own private retirement savings will be critical to their standard of living during their later years."